

Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended.

Local Government Type <input type="checkbox"/> City <input checked="" type="checkbox"/> Township <input type="checkbox"/> Village <input type="checkbox"/> Other		Local Government Name TOWNSHIP OF PARK	County OTTAWA
Audit Date 3/31/05	Opinion Date 5/27/05	Date Accountant Report Submitted to State: 9/27/05	

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the *Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan* by the Michigan Department of Treasury.

We affirm that:

1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.
2. We are certified public accountants registered to practice in Michigan.

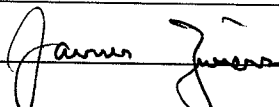
We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations

You must check the applicable box for each item below.

- ☐ Yes ☒ No 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements.
- ☐ Yes ☒ No 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980).
- ☒ Yes ☐ No 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended).
- ☐ Yes ☒ No 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act.
- ☐ Yes ☒ No 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91], or P.A. 55 of 1982, as amended [MCL 38.1132]).
- ☐ Yes ☒ No 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit.
- ☐ Yes ☒ No 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year).
- ☐ Yes ☒ No 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241).
- ☐ Yes ☒ No 9. The local unit has not adopted an investment policy as required by P.A. 196 of 1997 (MCL 129.95).

We have enclosed the following:

	Enclosed	To Be Forwarded	Not Required
The letter of comments and recommendations.			✓
Reports on individual federal financial assistance programs (program audits).			✓
Single Audit Reports (ASLGU).			✓

Certified Public Accountant (Firm Name) FERRIS, BUSSCHER & ZWIERS, P.C.			
Street Address 675 E. 16TH STREET, SUITE 100		City HOLLAND	State MI
Accountant Signature 		ZIP 49423	Date 9/27/05

TOWNSHIP OF PARK
OTTAWA COUNTY, MICHIGAN
FINANCIAL STATEMENTS
MARCH 31, 2005

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May 27, 2005

Township Board
Township of Park
Ottawa County, Michigan

INDEPENDENT AUDITORS' REPORT


We have audited the accompanying basic financial statements of the Township of Park, as of and for the year ended March 31, 2005, as listed in the index. These basic financial statements are the responsibility of the management of the Township of Park. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, based on our audit, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Township of Park as of March 31, 2005, and the results of its operations and its cash flows of its business-like activities for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 11, the Township of Park adopted the provisions of Governmental Accounting Standards Board Statements Nos. 33, 34, 36, 37, 38, 40, 41 and GASB Interpretation 6 as of and for the year ended March 31, 2005. This results in a change to the Township of Park's method of accounting for certain nonexchange revenues and in the format and content of the basic financial statements.

The Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. Management has elected to omit the Management's Discussion and Analysis from the required supplementary information.


FERRIS, BUSSCHER & ZWIERS, P.C.
Certified Public Accountants
Holland, Michigan

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BASIC FINANCIAL STATEMENTS

TOWNSHIP OF PARK
OTTAWA COUNTY, MICHIGAN
STATEMENT OF NET ASSETS
MARCH 31, 2005

	<u>Primary Government</u>		
	<u>Governmental</u>	<u>Business-Type</u>	
	<u>Activities</u>	<u>Activities</u>	<u>Total</u>
ASSETS			
Cash	\$ 7,834,158	\$ 702,146	\$ 8,536,304
Receivables, net	913,110	281,167	1,194,277
Capital assets			
Land	1,730,409	-	1,730,409
Construction in progress	237,096	235,811	472,907
Other capital assets, net of depreciation	<u>4,474,122</u>	<u>5,121,719</u>	<u>9,595,841</u>
TOTAL ASSETS	<u>\$ 15,188,895</u>	<u>\$ 6,340,843</u>	<u>\$ 21,529,738</u>
LIABILITIES			
Accounts payable and accrued expenses	<u>\$ 138,742</u>	<u>\$ 249,462</u>	<u>\$ 388,204</u>
TOTAL LIABILITIES	<u>\$ 138,742</u>	<u>\$ 249,462</u>	<u>\$ 388,204</u>
NET ASSETS			
Invested in capital assets	\$ 6,441,627	\$ 5,357,530	\$ 11,799,157
Restricted			
Recreation	1,735,276	-	1,735,276
Public safety	543,751	-	543,751
Unrestricted	<u>6,329,499</u>	<u>733,851</u>	<u>7,063,350</u>
TOTAL NET ASSETS	<u>\$ 15,050,153</u>	<u>\$ 6,091,381</u>	<u>\$ 21,141,534</u>

See notes to financial statements

TOWNSHIP OF PARK
OTTAWA COUNTY, MICHIGAN
STATEMENT OF ACTIVITIES
YEAR ENDED MARCH 31, 2005

FUNCTIONS/PROGRAMS	<u>Expenses</u>	<u>Program Revenues</u>	
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>
PRIMARY GOVERNMENT			
Governmental activities			
General government	\$ 1,177,089	\$ 30,223	\$ -
Public safety	1,317,860	239,042	-
Public works	317,114	23,661	121,201
Recreation	<u>447,827</u>	<u>105,096</u>	<u>-</u>
Total governmental activities	<u>\$ 3,259,890</u>	<u>\$ 398,022</u>	<u>\$ 121,201</u>
Business-type activities			
Water	<u>\$ 1,020,838</u>	<u>\$ 894,297</u>	<u>\$ -</u>
TOTAL PRIMARY GOVERNMENT	<u>\$ 4,280,728</u>	<u>\$ 1,292,319</u>	<u>\$ 121,201</u>
General revenues			
Taxes			
Property taxes, levied for general purposes			
Property taxes, levied for public safety			
Property taxes, levied for recreation			
State shared revenues			
Unrestricted investment income			
Miscellaneous			
Total general revenues			
CHANGE IN NET ASSETS			
NET ASSETS - APRIL 1, 2004			
NET ASSETS - MARCH 31, 2005			

<u>Capital Grants and Contributions</u>	<u>Net (Expense) Revenue</u>		<u>Total</u>
	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	
\$ -	\$ (1,146,866)	\$ -	\$ (1,146,866)
-	(1,078,818)	-	(1,078,818)
770,460	598,208	-	598,208
-	(342,731)	-	(342,731)
<u>\$ 770,460</u>	<u>\$ (1,970,207)</u>	<u>\$ -</u>	<u>\$ (1,970,207)</u>
 \$ 386,718	 \$ -	 \$ 260,177	 \$ 260,177
<u>\$ 1,157,178</u>	<u>\$ (1,970,207)</u>	<u>\$ 260,177</u>	<u>\$ (1,710,030)</u>
	 \$ 696,115	 \$ -	 \$ 696,115
	534,197	-	534,197
	693,819	-	693,819
	1,241,483	-	1,241,483
	205,155	25,050	230,205
	<u>63,176</u>	<u>-</u>	<u>63,176</u>
	<u>\$ 3,433,945</u>	<u>\$ 25,050</u>	<u>\$ 3,458,995</u>
	 \$ 1,463,738	 \$ 285,227	 \$ 1,748,965
	<u>13,586,415</u>	<u>5,806,154</u>	<u>19,392,569</u>
	<u>\$ 15,050,153</u>	<u>\$ 6,091,381</u>	<u>\$ 21,141,534</u>

TOWNSHIP OF PARK
OTTAWA COUNTY, MICHIGAN
BALANCE SHEET
GOVERNMENTAL FUNDS
MARCH 31, 2005

	<u>General</u>	<u>Sewer Distribution</u>
ASSETS		
Cash	\$ 5,235,928	\$ 1,125,850
Accounts receivable	5,988	-
Assessment receivable	11,231	438,449
Interest receivable	74,383	1,352
Due from other governments	194,876	-
Due from other funds	<u>185,637</u>	<u>20,431</u>
TOTAL ASSETS	<u>\$ 5,708,043</u>	<u>\$ 1,586,082</u>
 LIABILITIES		
Accounts payable	\$ 71,569	\$ 1,356
Deferred revenue	22,890	438,449
Accrued vacation	<u>54,166</u>	<u>-</u>
TOTAL LIABILITIES	<u>\$ 148,625</u>	<u>\$ 439,805</u>
 FUND BALANCES		
Reserved	\$ 2,279,027	\$ -
Unreserved	<u>3,280,391</u>	<u>1,146,277</u>
TOTAL FUND BALANCES	<u>\$ 5,559,418</u>	<u>\$ 1,146,277</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 5,708,043</u>	<u>\$ 1,586,082</u>

<u>Township Improvements</u>	<u>Total Governmental Funds</u>
\$ 1,331,593	\$ 7,693,371
-	5,988
-	449,680
25,396	101,131
-	194,876
-	206,068
<u>\$ 1,356,989</u>	<u>\$ 8,651,114</u>

\$ -	\$ 72,925
-	461,339
-	54,166

<u>\$ -</u>	<u>\$ 588,430</u>
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\$ -	\$ 2,279,027
<u>1,356,989</u>	<u>5,783,657</u>

<u>\$ 1,356,989</u>	<u>\$ 8,062,684</u>
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<u>\$ 1,356,989</u>	<u>\$ 8,651,114</u>
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TOWNSHIP OF PARK
OTTAWA COUNTY, MICHIGAN
RECONCILIATION OF FUND BALANCES ON THE BALANCE SHEET
FOR GOVERNMENTAL FUNDS TO NET ASSETS OF
GOVERNMENTAL ACTIVITIES ON THE STATEMENT OF NET ASSETS
MARCH 31, 2005

Fund balances - Total governmental funds	\$ 8,062,684
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Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.

Add - Capital assets	8,753,183
Deduct - Accumulated depreciation	(2,311,556)

Tax, special assessment, or other revenues unearned or unavailable in < 60 days for expenditures reported in fund statements.

Add - Receivables	96,154
Add - Deferred revenue	<u>449,688</u>

Net assets of governmental activities	<u>\$ 15,050,153</u>
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TOWNSHIP OF PARK
OTTAWA COUNTY, MICHIGAN
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED MARCH 31, 2005

	<u>General</u>	<u>Sewer Distribution</u>
REVENUES		
Taxes and special assessments	\$ 2,045,415	\$ 211,672
Licenses and permits	205,331	-
State shared revenues	1,249,043	-
Charges for services	45,081	-
Recreation	105,096	-
Interest	122,649	57,418
Reimbursements	6,414	-
Miscellaneous	<u>75,615</u>	<u>122,661</u>
TOTAL REVENUES	<u>\$ 3,854,644</u>	<u>\$ 391,751</u>
EXPENDITURES		
General government	\$ 1,314,897	\$ -
Public safety	1,094,647	-
Public works	234,568	75,608
Recreation	262,096	-
Capital outlay	<u>409,742</u>	<u>332,724</u>
TOTAL EXPENDITURES	<u>\$ 3,315,950</u>	<u>\$ 408,332</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	\$ 538,694	\$ (16,581)
OTHER FINANCING SOURCES (USES)		
Transfers in	\$ 62,000	\$ -
Transfers out	<u>(179,736)</u>	<u>(62,000)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>\$ (117,736)</u>	<u>\$ (62,000)</u>
NET CHANGE IN FUND BALANCES	\$ 420,958	\$ (78,581)
FUND BALANCES - APRIL 1, 2004	<u>5,138,460</u>	<u>1,224,858</u>
FUND BALANCES - MARCH 31, 2005	<u>\$ 5,559,418</u>	<u>\$ 1,146,277</u>

See notes to financial statements

<u>Township Improvements</u>	<u>Total Governmental Funds</u>
\$ -	\$ 2,257,087
-	205,331
-	1,249,043
-	45,081
-	105,096
25,089	205,156
-	6,414
-	198,276
<u>\$ 25,089</u>	<u>\$ 4,271,484</u>
\$ -	\$ 1,314,897
-	1,094,647
-	310,176
-	262,096
<u>288,000</u>	<u>1,030,466</u>
<u>\$ 288,000</u>	<u>\$ 4,012,282</u>
\$ (262,911)	\$ 259,202
\$ 179,736	\$ 241,736
<u>-</u>	<u>(241,736)</u>
<u>\$ 179,736</u>	<u>\$ -</u>
\$ (83,175)	\$ 259,202
<u>1,440,164</u>	<u>7,803,482</u>
<u>\$ 1,356,989</u>	<u>\$ 8,062,684</u>

TOWNSHIP OF PARK
OTTAWA COUNTY, MICHIGAN
RECONCILIATION OF OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED MARCH 31, 2005

Net change in fund balances - Total governmental funds	\$ 259,202
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Add - Capital outlay	1,030,466
Deduct - Depreciation expense	(278,072)

Tax, special assessment, or other revenues unearned or unavailable in < 60 days for expenditures reported in fund statements.	<u>452,142</u>
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Change in net assets of governmental activities	<u>\$ 1,463,738</u>
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TOWNSHIP OF PARK
OTTAWA COUNTY, MICHIGAN
STATEMENT OF NET ASSETS
PROPRIETARY FUND
MARCH 31, 2005

	Enterprise Fund
	<u>Water</u>
ASSETS	
Current assets	
Cash	\$ 691,995
Receivables, net	97,288
Assessment receivable	177,326
Interest receivable	6,553
Due from other funds	<u>10,151</u>
TOTAL CURRENT ASSETS	<u>\$ 983,313</u>
Noncurrent assets	
Capital assets	
Construction in progress	\$ 235,811
Other capital assets, net of depreciation	<u>5,121,719</u>
TOTAL NONCURRENT ASSETS	<u>\$ 5,357,530</u>
TOTAL ASSETS	<u>\$ 6,340,843</u>
LIABILITIES	
Current liabilities	
Accounts payable	<u>\$ 249,462</u>
TOTAL LIABILITIES	<u>\$ 249,462</u>
NET ASSETS	
Invested in capital assets	\$ 5,357,530
Unrestricted	<u>733,851</u>
TOTAL NET ASSETS	<u>\$ 6,091,381</u>

See notes to financial statements

TOWNSHIP OF PARK
OTTAWA COUNTY, MICHIGAN
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
PROPRIETARY FUND
YEAR ENDED MARCH 31, 2005

	Enterprise Fund
	<u>Water</u>
OPERATING REVENUES	
Water billings	\$ 792,801
Water connection charges	87,000
Plan review and inspection charges	14,456
Miscellaneous	<u>40</u>
TOTAL OPERATING REVENUES	<u>\$ 894,297</u>
OPERATING EXPENSES	
Purchase of water	\$ 489,128
Hydrants	27,970
Utilities	4,694
Water connections, repairs and maintenance	88,384
Operating fees	157,211
Supplies	3,205
Professional services	54,596
Depreciation	191,590
Miscellaneous	<u>4,060</u>
TOTAL OPERATING EXPENSES	<u>\$ 1,020,838</u>
OPERATING LOSS	<u>\$ (126,541)</u>
NONOPERATING REVENUES	
Interest income	<u>\$ 25,050</u>
LOSS BEFORE CONTRIBUTIONS AND TRANSFERS	\$ (101,491)
CAPITAL CONTRIBUTIONS	386,718
OPERATING TRANSFER IN	62,000
OPERATING TRANSFER OUT	<u>(62,000)</u>
CHANGE IN NET ASSETS	\$ 285,227
NET ASSETS - APRIL 1, 2004	<u>5,806,154</u>
NET ASSETS - MARCH 31, 2005	<u>\$ 6,091,381</u>

See notes to financial statements

TOWNSHIP OF PARK
OTTAWA COUNTY, MICHIGAN
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
YEAR ENDED MARCH 31, 2005

	Enterprise Fund
	<u>Water</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	\$ 878,094
Payments to suppliers	<u>(649,506)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 228,588</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Water system construction	\$ (949,214)
Contributed capital	<u>386,718</u>
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>\$ (562,496)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest	<u>\$ 25,050</u>
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>\$ 25,050</u>
NET DECREASE IN CASH	\$ (308,858)
CASH BALANCE - APRIL 1, 2004	<u>1,000,853</u>
CASH BALANCE - MARCH 31, 2005	<u>\$ 691,995</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating loss	\$ (126,541)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation expense	191,590
Change in assets and liabilities	
Receivables	(16,203)
Accounts and other payables	<u>179,742</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 228,588</u>

See notes to financial statements

TOWNSHIP OF PARK
OTTAWA COUNTY, MICHIGAN
STATEMENT OF FIDUCIARY NET ASSETS
AGENCY FUND
MARCH 31, 2005

	Property Tax <u>Collection</u>
ASSETS	
Receivables, net	\$ <u>45,132</u>
TOTAL ASSETS	\$ <u>45,132</u>
LIABILITIES	
Payables to other governments	\$ <u>45,132</u>
TOTAL LIABILITIES	\$ <u>45,132</u>

TOWNSHIP OF PARK
OTTAWA COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2005

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Township conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The following is a summary of the significant accounting policies used by the Township.

REPORTING ENTITY

The Township was organized in 1915 and covers an area of approximately 20 square miles. The Township operates under an elected Board of Trustees (7 members) and provides services to its more than 18,500 residents in many areas including law enforcement, fire protection, community enrichment and development and human services. In accordance with the provisions of Governmental Accounting Standards Board Statement No. 14, certain other governmental organizations are not considered to be part of the Township entity for financial reporting purposes.

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT
PRESENTATION

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

TOWNSHIP OF PARK
OTTAWA COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2005

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Township considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, expenditures relating to compensated absences, and claims and judgments are recorded only when payment is due.

Revenues are recognized in the accounting period in which they become susceptible to accrual, that is, when they become both measurable and available to finance expenditures of the fiscal period. Property taxes, state shared revenue, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. All other revenue items are considered to be available only when cash is received by the government.

Property taxes for the Township are levied December 1st and are payable on February 15th. The Township bills and collects its own property taxes and also taxes for the county and local school districts. Property tax revenues are recognized when levied to the extent that they result in current receivables. Delinquent taxes are received by Ottawa County. Collection of all taxes are accounted for in the agency fund.

The Township's property tax is levied on each December 1st on the taxable valuation of property (as defined by State statutes) located in Park Township as of the preceding December 31st. The Township's 2004 ad valorem tax is levied and collectible on December 1, 2004, and it is the Township's policy to recognize revenue from the current tax levy in the current year ended March 31, 2005.

The 2004 taxable valuation of the Township totaled \$737,642,562, on which ad valorem taxes levied consisted of .9521 mills for the Township's operating purposes, .7242 mills for police services, .3908 mills for parks, and .5495 mills for bike paths.

These taxes raised \$692,800 for operating, \$534,197 for police services, \$288,251 for parks, and \$405,294 for bike paths. These amounts are recognized in the General Fund financial statement as tax revenue.

The Township reports the following major governmental funds:

The General Fund is the Township's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Sewer Distribution Fund accounts for financial resources to be used for the acquisition or construction of major capital facilities which are not financed by the proprietary fund.

The Township Improvements Fund accounts for financial resources to be used for the acquisition or construction of major capital facilities which are not financed by the proprietary fund.

TOWNSHIP OF PARK
OTTAWA COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2005

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Township reports the following major proprietary fund:

The Water Fund accounts for the activities of the water distribution system.

Private-sector standards of accounting issued prior to December 1, 1989, are generally followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with the standards of the Governmental Accounting Standards Board. The Township has elected not to follow private-sector standards issued after November 30, 1989 for its business-type activities.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenue include: (1) charges to customers or applicants for goods, services or privileges provided; (2) operating grants and contributions; and (3) capital grants and conditions, including special assessments. Internally dedicated resources are reported as general revenue rather than as program revenue. Likewise, general revenue includes all taxes.

Proprietary funds distinguish operating revenue and expenses from nonoperating items. Operating revenue and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of our proprietary funds relate to charges to customers for services. The Water Fund also recognizes the portion of connection fees intended to recover current costs as operating revenue. Investment income is recognized as nonoperating revenue. Operating expenses for proprietary funds include operating expenses, administrative expenses, and depreciation on capital assets. All revenue and expenses not meeting this definition are reported as nonoperating revenue and expenses.

ASSETS, LIABILITIES, AND NET ASSETS OR EQUITY

Bank Deposits – Cash is considered to be cash on hand, demand deposits, and certificates of deposit.

Receivables and Payables – In general, outstanding balances between funds are reported as “due to/from other funds.” Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as “advances to/from other funds.” Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as “internal balances.”

All trade and property tax receivables are shown as net of allowance for uncollectible amounts. Property taxes are levied on each December 1st on the taxable valuation of property as of the preceding December 31st. Taxes are considered delinquent on March 1st of the following year, at which time penalties and interest are assessed.

Special Assessments Receivable – The governmental activities and business-type activities have special assessments recorded in the amount of \$627,006. Of the special assessment balance, \$449,680 is deferred because it is unavailable in the fund financial statements.

TOWNSHIP OF PARK
OTTAWA COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2005

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Prepaid Items – Certain payments to vendors reflect costs applicable to future fiscal years and are recorded as prepaid items in both government-wide and fund financial statements.

Capital Assets – Capital assets, which include property, plant, equipment, infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the Township as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The Township is considered a phase 3 government for implementation of GASB 34, therefore has not retroactively capitalized infrastructure.

Property, plant and equipment is depreciated using the straight-line method over the following useful lives:

Building	40 to 60 years
Building improvements	15 to 30 years
Land improvements	15 to 30 years
Water and sewer lines	50 to 75 years
Fire Trucks	25 years
Vehicles	5 to 10 years
Office equipment	7 to 10 years
Machinery and equipment	7 to 10 years

Compensated Absences (Vacation and Sick Leave) – Full-time, non-elected, permanent employees are granted vacation benefits in varying amounts to specified maximums depending on tenure with the Township. Sick leave accrues to full-time, non-elected, permanent employees to specified maximums. Generally, after one year of service, employees are entitled to a percentage of their sick leave balance and all accrued vacation leave upon termination. All vacation pay is accrued when incurred in the government-wide statement at year-end.

Deferred Revenue – Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period or for resources that have been received, but not yet earned.

Fund Equity – In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

	<u>General Fund</u>
Reserved	
Bicycle Paths	\$ 568,491
Parks	1,166,785
Police	<u>543,751</u>
	<u>\$2,279,027</u>

TOWNSHIP OF PARK
OTTAWA COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2005

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Restricted Net Assets – The Township's policy is to first apply restricted resources when an expense is incurred for which restricted and unrestricted net assets are available.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information – Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. All annual appropriations lapse at fiscal year end.

The budget document presents information by fund, function, department and line items. The legal level of budgetary control adopted by the Township is the department level.

Excess of Expenditures Over Appropriations in Budgeted Funds – During the year, the Township of Park incurred expenditures in certain budgeted funds which were in excess of the amounts appropriated, as follows:

<u>Budget Item</u>	<u>Budget Appropriation</u>	<u>Actual Expenditure</u>	<u>Variance (Unfavorable)</u>
General Fund			
Recreation			
Capital outlay – parks	\$235,000	\$292,080	\$(57,080)

NOTE 3– DEPOSITS AND INVESTMENTS

Michigan Compiled Laws, Sections 129.91, authorizes the Township to make deposits and invest in the accounts of federally insured banks, credit unions, and savings and loan associations which have an office in Michigan. The local unit is allowed to invest in bonds, securities and other direct obligations of the United States or any agency or instrumentality of the United States; United States government or federal agency obligations; repurchase agreements; bankers' acceptance of United States banks; commercial paper rated within the two highest classifications which mature not more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivision which are rated as investment grade; and mutual funds composed of investment vehicles which are legal for direct investment by local units of government in Michigan.

The Township of Park Board has designated seven banks for the deposit of Township funds. The Board adopted a deposit and investment policy in accordance with Public Act 196 of 1997.

At year-end, the Township's deposits and investments were reported in the basic financial statements in the following categories:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total Primary Government</u>
Cash	<u>\$7,834,158</u>	<u>\$702,146</u>	<u>\$8,536,304</u>

TOWNSHIP OF PARK
OTTAWA COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2005

NOTE 3– DEPOSITS AND INVESTMENTS (CONTINUED)

The breakdown between deposits and investments is as follows:

	Primary Government
Bank deposits (checking and savings accounts, certificates of deposit)	<u>\$8,536,304</u>

The bank balance of the primary government's deposits is \$8,767,562, of which \$650,848 is covered by federal depository insurance and \$8,116,714 is uninsured and uncollateralized.

NOTE 4 – RECEIVABLES

Receivables as of year-end for the Township's individual major funds in the aggregate, including the applicable allowances for uncollectible accounts are as follows:

	General Fund	Sewer Distribution	Township Improvements	Other Funds	Total
Taxes receivable	\$ -	\$ -	\$ -	\$ 45,132	\$ 45,132
Special assessments	11,231	438,449	-	-	449,680
Accounts	5,988	-	-	-	5,988
Intergovernmental	194,876	-	-	-	194,876
Interest and other	<u>260,020</u>	<u>21,783</u>	<u>25,396</u>	-	<u>307,199</u>
Gross receivables	\$ 472,115	\$ 460,232	\$ 25,396	\$ 45,132	\$1,002,875
Less: allowance for uncollectibles	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net receivables	<u>\$ 472,115</u>	<u>\$ 460,232</u>	<u>\$ 25,396</u>	<u>\$ 45,132</u>	<u>\$1,002,875</u>

Governmental funds report deferred revenue in connection with receivables for revenue that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received but not yet earned. At the end of the current fiscal year, the various components of deferred revenue are as follows:

	Unavailable	Unearned
Special assessments	\$449,680	\$ -
Recreation fees	<u>-</u>	<u>11,659</u>
Total	<u>\$449,680</u>	<u>\$11,659</u>

TOWNSHIP OF PARK
OTTAWA COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2005

NOTE 5 – CAPITAL ASSETS

Capital asset activity of the primary government for the current year was as follows:

<u>Governmental Activities</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets not being depreciated				
Land	\$1,153,831	\$ 576,578	\$ -	\$1,730,409
Construction in progress	<u>-</u>	<u>237,096</u>	<u>-</u>	<u>237,096</u>
Subtotal	<u>\$1,153,831</u>	<u>\$ 813,674</u>	<u>\$ -</u>	<u>\$1,967,505</u>
Capital assets being depreciated				
Buildings	\$2,366,059	\$ -	\$ -	\$2,366,059
Improvements other than buildings	2,354,972	95,767	-	2,450,739
Machinery and equipment	1,368,191	-	-	1,368,191
Infrastructure	<u>-</u>	<u>600,689</u>	<u>-</u>	<u>600,689</u>
Subtotal	<u>\$6,089,222</u>	<u>\$ 696,456</u>	<u>\$ -</u>	<u>\$6,785,678</u>
Less accumulated depreciation for				
Buildings	\$ 433,219	\$ 48,366	\$ -	\$ 481,585
Improvements other than buildings	956,356	148,646	-	1,105,002
Machinery and equipment	643,909	76,801	-	720,710
Infrastructure	<u>-</u>	<u>4,259</u>	<u>-</u>	<u>4,259</u>
Subtotal	<u>\$2,033,484</u>	<u>\$ 278,072</u>	<u>\$ -</u>	<u>\$2,311,556</u>
Net capital assets being depreciated	<u>\$4,055,738</u>	<u>\$ 418,384</u>	<u>\$ -</u>	<u>\$4,474,122</u>
Total capital assets – net of depreciation	<u>\$5,209,569</u>	<u>\$1,232,058</u>	<u>\$ -</u>	<u>\$6,441,627</u>

TOWNSHIP OF PARK
OTTAWA COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2005

NOTE 5 – CAPITAL ASSETS (CONTINUED)

<u>Business-Type Activities</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets not being depreciated				
Construction in progress	\$ <u> -</u>	<u>\$235,811</u>	\$ <u> -</u>	\$ <u>235,811</u>
Subtotal	\$ <u> -</u>	<u>\$235,811</u>	\$ <u> -</u>	\$ <u>235,811</u>
Capital assets being depreciated				
Infrastructure	<u>\$7,596,655</u>	<u>\$713,403</u>	\$ <u> -</u>	<u>\$8,310,058</u>
Subtotal	<u>\$7,596,655</u>	<u>\$713,403</u>	\$ <u> -</u>	<u>\$8,310,058</u>
Less accumulated depreciation for				
Infrastructure	<u>\$2,996,749</u>	<u>\$191,590</u>	\$ <u> -</u>	<u>\$3,188,339</u>
Subtotal	<u>\$2,996,749</u>	<u>\$191,590</u>	\$ <u> -</u>	<u>\$3,188,339</u>
Net capital assets being depreciated	<u>\$4,599,906</u>	<u>\$521,813</u>	\$ <u> -</u>	<u>\$5,121,719</u>
Total capital assets – net of depreciation	<u>\$4,599,906</u>	<u>\$757,624</u>	\$ <u> -</u>	<u>\$5,357,530</u>

Depreciation expense was charged to programs of the primary government as follows:

Governmental activities		
General government		\$ 36,058
Public safety		83,890
Public works		6,938
Parks and recreation		<u>151,186</u>
Total governmental activities		<u>\$278,072</u>
Business-type activities		
Water		<u>\$191,590</u>
<u>Construction Commitments</u>	<u>Spent to Date</u>	<u>Remaining Commitments</u>
Water Line Construction	\$235,811	\$ 940,175
Sewer Line Construction	211,699	124,268
Bike Path Construction	<u>25,397</u>	<u>114,490</u>
	<u>\$472,907</u>	<u>\$1,178,933</u>

TOWNSHIP OF PARK
OTTAWA COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2005

NOTE 6 – INTERFUND TRANSFERS

The composition of interfund balances as of March 31, 2005 are as follows:

<u>Receivable Fund</u>		<u>Payable Fund</u>	
Major funds:			
General	\$185,637	Agency	<u>\$216,219</u>
Sewer Distribution	20,431		
Proprietary	<u>10,151</u>		
	<u>\$216,219</u>		<u>\$216,219</u>

Interfund transfers in and out as of March 31, 2005 are as follows:

	<u>Operating Transfer In</u>	<u>Operating Transfer Out</u>
Major funds:		
General	\$ 62,000	\$179,736
Sewer Distribution	-	62,000
Township Improvements	179,736	-
Water	<u>62,000</u>	<u>62,000</u>
Total	<u>\$303,736</u>	<u>\$303,736</u>

NOTE 7 – LEASES

The Township leases certain real estate adjacent to Pine Creek from Beechwood Reformed Church for the construction, maintenance and public use of a nature trail and walkway. The term of the lease is for 30 years beginning in 2000. The lease required only a single payment of \$10,000 at inception with no additional payments required during the 30 year lease period. Upon expiration of the initial term, absent the Church and Township negotiating and reaching a separate agreement regarding the property, the lease shall renew on a year-to-year basis for \$2,500 per year. After the 30 year term has expired, either party may terminate the arrangement with six months written notice.

The Township leases certain property to the Ottawa County Fair Association on a 15-year lease commencing April 1, 1991 with rent at \$1,500 per year. The Township also leases its airport facilities to Ottawa Aviation, Inc. on a 20-year lease ending in December 2012 and requiring annual payments of \$1,800 per year. Rental income under these arrangements was \$3,300 for the year ended March 31, 2005.

Future minimum annual rentals to be received are as follows:

2006	\$3,300
2007	1,800
2008	1,800
2009	1,800
2010	1,800

TOWNSHIP OF PARK
OTTAWA COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2005

NOTE 8 – RISK MANAGEMENT

The Township is exposed to various risks of loss related to property loss, torts, errors and omissions and employee injuries (workers' compensation), as well as medical benefits provided to employees. The Township has purchased commercial insurance to cover all risks of losses. Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

NOTE 9 – PENSION PLAN

The Township sponsors a money purchase retirement plan for all full-time employees who have attained the age of 20 ½ and have completed 1 ½ years of service. This plan is funded by current payments to a life insurance trust. The retirement plan provides pension benefits in return for services rendered, provides an individual account for each participant, and specifies how contributions to the individual's account are to be determined instead of specifying the amount of benefits the individual is to receive. Such benefits depend solely on the amount contributed to the participant's account and the returns earned on investment of those contributions. Contributions to the plan are made by the Township based upon 13.4% of each employee's annual earnings. Total covered payroll for the Township's year ending March 31, 2005 was \$597,487 and total payroll for the Township's year ending March 31, 2005 was \$1,006,037. Employees are vested immediately upon entering the plan. Employer contributions for the year ended March 31, 2005 totaled \$80,481.

The Township also offers its employees a deferred compensation plan. The plan is available to all Township employees and permits them to defer a portion of their current salary until future years. Deferred compensation is not available to the employees until termination, retirement, death or financial hardship. Employee contributions for the year ended March 31, 2005 totaled \$6,180.

NOTE 10 – POST EMPLOYMENT HEALTH CARE BENEFITS

The Township provides post employment health care benefits to retired employees. Eligible recipients include all full-time elected and non-elected employees of the Township with a minimum of 10 years of service and a minimum age of 62, or have a combined age and years of service totaling 80 and a minimum age of 55. Retirement health insurance will not be available to an employee not employed by the Township until at least age 55 or having health insurance available through another employer. The Township's funded portion will be calculated at 3% of their applicable premium per year of service for primary coverage until eligible for Medicare at which time the Township funded portion will be calculated at 3% of supplemental coverage premium per year of service. These benefits were established by action of the Township Board and will be accounted for and financed on a pay-as-you-go basis as the Township makes monthly premium payments to its regular health insurance provider. As of March 31, 2005, two retirees received such post employment benefits. During the fiscal year ended March 31, 2005, expenditures of \$14,509 were recognized for post employment health care benefits, net of \$11,478 contributed by the retirees.

TOWNSHIP OF PARK
OTTAWA COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2005

NOTE 11 – RESTATEMENT OF RETAINED EARNINGS/FUND BALANCE

Restatements

As of and for the year ended March 31, 2005 the Township implemented the following Governmental Accounting Standards Board pronouncements:

Statements

- | | |
|--------|--|
| No. 33 | Accounting and Financial Reporting for Nonexchange Transactions |
| No. 34 | Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments |
| No. 36 | Recipient Reporting for Certain Shared Nonexchange Revenues – An Amendment of GASB No. 33 |
| No. 37 | Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments: Omnibus |
| No. 38 | Certain Financial Statement Note Disclosures |
| No. 40 | Deposit and Investment Risk Disclosures |
| No. 41 | Budgetary Comparison Schedules – Perspective Differences |

Interpretation

- | | |
|-------|---|
| No. 6 | Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements |
|-------|---|

The above pronouncements are all related to the new financial reporting requirements for all state and local governments. These pronouncements are scheduled for a phased implementation (based on the size of the government) through fiscal years ending in 2005. The Township is required to implement the new requirements no later than the fiscal year ending March 31, 2005.

The more significant of the changes required by the new standards include:

- Management’s discussion and analysis;
- Basic financial statements that include:
 - Government-wide financial statements, prepared using the economic resources measurement focus and the accrual basis of accounting;
 - Fund financial statements, consisting of a series of statements that focus on a government’s major governmental funds and enterprise funds;
 - Schedules to reconcile the fund financial statements to the government-wide financial statements;
 - Budgetary schedules;
 - Notes to the basic financial statements;
 - Required supplementary information, including certain budgetary schedules.

TOWNSHIP OF PARK
OTTAWA COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2005

NOTE 11 – RESTATEMENT OF RETAINED EARNINGS/FUND BALANCE (CONTINUED)

Primary Government

As a result of implementing these pronouncements for the fiscal year ended March 31, 2005, the following restatements were made to beginning net asset accounts:

Government-wide financial statements – Beginning net assets for governmental activities was determined as follows:

Fund balances of governmental funds as of March 31, 2004	\$ 7,803,482
Add: governmental capital assets, including general fixed assets as of March 31, 2004	7,243,053
Deduct: accumulated depreciation as of March 31, 2004 on above governmental capital assets	(2,033,484)
Add: other changes in accruals	<u>573,364</u>
Governmental activities net assets, restated, as of March 31, 2004	<u>\$13,586,415</u>

NOTE 12 – BUILDING DEPARTMENT

Revenues	
Inspections fees	\$ <u>204,972</u>
Expenditures	
Wages and contract labor	\$ 222,875
Fringe benefits	1,226
Office expenses	<u>8,714</u>
Total expenditures	<u>\$ 232,815</u>
Deficiency of revenues under expenditures	\$ (27,843)
Cumulative deficiency of revenues under expenditures March 31, 2004	<u>(158,289)</u>
Cumulative deficiency of revenues under expenditures March 31, 2005	<u>\$ (186,132)</u>

NOTE 13 – COMMITMENTS AND CONTINGENCIES

The Township of Park has entered into two contracts providing for the acquisition, construction and financing of improvements to the Wyoming Water Supply System. The full faith and credit of the Township of Park have been pledged in the making of the payments to Ottawa County, issuer of the bonds. The 1995 bonds require amounts equal to 2.35%, and the 2002 bonds require amounts equal to 4.16% of the principal amount of the bonds actually issued and the interest thereon. The total principal outstanding on the 1995 bonds was \$2,620,000 at March 31, 2005. The total principal outstanding on the 2002 bonds was \$6,500,000 at March 31, 2005.

TOWNSHIP OF PARK
OTTAWA COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2005

NOTE 13 – COMMITMENTS AND CONTINGENCIES (CONTINUED)

The Township of Park has entered into a contract providing for the acquisition, construction and financing of improvements to the City of Holland Waste Water Treatment Plant. The full faith and credit of the Township of Park have been pledged in the contract for the making of payments to Ottawa County, the issuer of the bonds, in amounts sufficient to pay 7.49% of the principal amount of the bonds actually issued and the interest thereon. The total principal outstanding on the 1994 bonds was \$7,770,000 at March 31, 2005.

The Township is currently under litigation with an individual relating to a claim of appeal from a Zoning Board of Appeals decision made by the Township. There are no monetary damages claimed against the Township and is not likely to have a financial impact on the Township.

REQUIRED SUPPLEMENTAL INFORMATION

TOWNSHIP OF PARK
OTTAWA COUNTY, MICHIGAN
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL -
GENERAL FUND
YEAR ENDED MARCH 31, 2005

	Original <u>Budget</u>	Final Amended <u>Budget</u>
REVENUES		
Taxes and special assessments	\$ 1,900,600	\$ 1,900,600
Licenses and permits	231,500	231,500
State shared revenues	1,262,600	1,262,600
Charges for services	46,500	46,500
Recreation	102,500	102,500
Interest	51,000	51,000
Reimbursements	-	-
Miscellaneous	<u>54,000</u>	<u>54,000</u>
TOTAL REVENUES	<u>\$ 3,648,700</u>	<u>\$ 3,648,700</u>
EXPENDITURES		
General Government		
Board of trustees	\$ 13,600	\$ 13,600
Supervisor	65,352	65,352
Elections	32,100	32,100
Auditing fees	12,300	15,300
Assessor	127,500	127,500
Legal fees	91,000	118,000
Clerk	11,664	11,664
Board of review	3,000	3,000
Community services	126,500	101,500
Treasurer	46,656	46,656
Township office and computers	275,992	255,992
Township property	184,100	176,100
Employee benefits	337,300	337,300
Contingencies	93,136	-
Insurance	74,900	74,900
Cemetery	<u>41,900</u>	<u>29,900</u>
Total General Government	<u>\$ 1,537,000</u>	<u>\$ 1,408,864</u>

<u>Actual</u>	Variance Favorable (Unfavorable)
\$ 2,045,415	\$ 144,815
205,331	(26,169)
1,249,043	(13,557)
45,081	(1,419)
105,096	2,596
122,649	71,649
6,414	6,414
<u>75,615</u>	<u>21,615</u>
<u>\$ 3,854,644</u>	<u>\$ 205,944</u>

\$ 12,074	\$ 1,526
65,352	-
31,028	1,072
15,183	117
126,604	896
104,502	13,498
11,645	19
1,549	1,451
96,568	4,932
46,656	-
215,068	40,924
156,022	20,078
333,057	4,243
-	-
74,779	121
<u>24,810</u>	<u>5,090</u>
<u>\$ 1,314,897</u>	<u>\$ 93,967</u>

TOWNSHIP OF PARK
OTTAWA COUNTY, MICHIGAN
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL -
GENERAL FUND (CONTINUED)
YEAR ENDED MARCH 31, 2005

	Original <u>Budget</u>	Final Amended Budget
EXPENDITURES (CONTINUED)		
Public Safety		
Police protection	\$ 463,000	\$ 483,000
Liquor inspections	1,800	1,800
Fire department	330,700	385,700
Building, plumbing, electrical and mechanical inspections	226,000	226,000
Planning and zoning	<u>31,000</u>	<u>24,000</u>
Total Public Safety	<u>\$ 1,052,500</u>	<u>\$ 1,120,500</u>
Public Works		
Streets	\$ 140,000	\$ 113,000
Drains at large	23,600	23,600
Engineering	11,000	5,000
Street lights	<u>98,000</u>	<u>100,000</u>
Total Public Works	<u>\$ 272,600</u>	<u>\$ 241,600</u>
Recreation		
Recreation department	\$ 95,500	\$ 113,500
Parks	117,600	117,600
Tot Time	20,500	20,500
Bicycle paths	<u>175,000</u>	<u>175,000</u>
Total Recreation	<u>\$ 408,600</u>	<u>\$ 426,600</u>
Capital Outlay		
Recreation		
Parks	\$ -	\$ 235,000
Bicycle Paths	<u>117,800</u>	<u>117,800</u>
Total Capital Outlay	<u>\$ 117,800</u>	<u>\$ 352,800</u>
TOTAL EXPENDITURES	<u>\$ 3,388,500</u>	<u>\$ 3,550,364</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>\$ 260,200</u>	<u>\$ 98,336</u>

<u>Actual</u>	Variance Favorable (Unfavorable)
\$ 479,778	\$ 3,222
1,800	-
377,182	8,518
215,876	10,124
<u>20,011</u>	<u>3,989</u>
<u>\$ 1,094,647</u>	<u>\$ 25,853</u>
\$ 110,440	\$ 2,560
22,282	1,318
2,710	2,290
<u>99,136</u>	<u>864</u>
<u>\$ 234,568</u>	<u>\$ 7,032</u>
\$ 107,235	\$ 6,265
47,144	70,456
17,421	3,079
<u>90,296</u>	<u>84,704</u>
<u>\$ 262,096</u>	<u>\$ 164,504</u>
\$ 292,080	\$ (57,080)
<u>117,662</u>	<u>138</u>
<u>\$ 409,742</u>	<u>\$ (56,942)</u>
<u>\$ 3,315,950</u>	<u>\$ 234,414</u>
<u>\$ 538,694</u>	<u>\$ 440,358</u>

TOWNSHIP OF PARK
OTTAWA COUNTY, MICHIGAN
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL -
GENERAL FUND (CONTINUED)
YEAR ENDED MARCH 31, 2005

	Original <u>Budget</u>	Final Amended <u>Budget</u>
OTHER FINANCING SOURCES (USES)		
Transfers in	\$ 62,000	\$ 62,000
Transfers out	<u>(86,600)</u>	<u>(179,736)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>\$ (24,600)</u>	<u>\$ (117,736)</u>
NET CHANGE IN FUND BALANCE	\$ 235,600	\$ (19,400)
FUND BALANCE - APRIL 1, 2004	<u>5,138,460</u>	<u>5,138,460</u>
FUND BALANCE - MARCH 31, 2005	<u><u>\$ 5,374,060</u></u>	<u><u>\$ 5,119,060</u></u>

<u>Actual</u>	Variance Favorable (Unfavorable)
\$ 62,000	\$ -
<u>(179,736)</u>	<u>-</u>
\$ (117,736)	\$ -
\$ 420,958	\$ 440,358
<u>5,138,460</u>	<u>-</u>
<u>\$ 5,559,418</u>	<u>\$ 440,358</u>